

Before the
Federal Communications Commission
Washington, D.C. 20554

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In the Matter of)
Federal-State Joint Board on) CC Docket 96-45
Universal Service)

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COMMENTS OF FORT MOJAVE TELECOMMUNICATIONS, INC.

Fort Mojave Telecommunications, Inc. (FMTI) respectfully submits the following comments in the above referenced proceeding. FMTI is owned by the Fort Mojave Indian Tribe and provides local exchange service to the Fort Mojave Tribal lands in Arizona, Nevada and in 1996 to California

FMTI served 328 access lines at the end of 1995 and is serving 349 access lines as of March 1996. These lines are located solely on the Fort Mojave Indian Reservation in Arizona and Nevada. During 1996 we will extend facilities to provide service to the Tribal Headquarters and the Village in California

The Fort Mojave Tribal Members receive quality one party service with a primary backbone facility of Fiber Optics. Primary service installations are completed within three days and trouble reports are cleared within 24 hours when possible

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The local residential one party service rate is \$15.00 per month, a rate now affordable to our subscribers. We can provide this affordable rate, in part, because of the existing Universal Service support mechanisms

UNIVERSAL SERVICE PRINCIPLES

FMTI is in agreement with the goals and principles set forth in the Communications Act of 1996. While FMTI does not possess the expertise to offer design and implementation of procedures necessary to fulfill the mandate of the Act, we will, however, comment on our thoughts and possible impacts as a result of the Legislation.

(1) Quality and Rates.

Most Rural Independent Telephone Companies are now providing quality service at affordable rates. This has been made possible in part by the support mechanism of Universal Service.

We request that careful thought go into making any changes in the levels of support coming from the fund. As those levels deteriorate, we are fearful that our ability to make investments in new plant to provide quality services will be hindered, or that our local rates will no longer be affordable.

(2) **Access to Advanced Services.**

The availability of advanced services to everyone in the nation must be an overriding goal of the Act. The definition of advanced services should be tempered with the knowledge that advanced services of yesterday are now common place and that advanced services of today will become common place in the future.

(3) **Access in Rural and High Costs Areas.**

All Urban services should be accessible to all consumers without regard to geographic regions, high-cost areas, low-income consumers, or other factors. These services may not be available at every residence, but possibly at Community Centers close enough to consumers to make it readily accessible. The rates for providing these services should not have a large disparity with those of Urban areas and thereby creating rate discrimination between those in the Urban areas and the Rural areas.

(4) **Equitable and Non-Discriminatory contributions from all Providers of Telecommunications Services.**

FMTI does support the principle that contributions to the Universal Service Fund shall be made in an equitable and nondiscriminatory manner.

(5) **Specific and Predictable Support Mechanisms.**

The current support mechanism provides this principle and thereby provides companies an opportunity to budget prudently and make capital investment with a reasonable assurance of earning on that investment without having continuous local rate increases.

(6) **Elementary and Secondary Schools, Health Care Providers and Libraries should have access to advanced Telecommunications Services.**

This principle in many respects is the most important to Rural America. Because local tax levies are becoming harder to pass and local Governmental services, including education are shrinking, Telecommunication links and services must help provide these services. As schools consolidate classrooms, educational networks can provide classes on a remote basis, as well as remote Diagnostic Medical services and Information Services. This is happening today and must continue to grow. The goals of Universal service allows this to happen.

(7) **Any other Principles that Joint Board and Commission deem necessary.**

The Four Principles proposed by the Commission in their notice of proposed rule making (Docket 80-286) dated July 13, 1995 should be considered in evaluating changes to the Universal Service Fund.

Conclusion

FMTI has the ability and is providing "Advance" services to the Fort Mojave Indian Reservation. In part, we are able to do this because of the Universal Service mechanisms. Any major changes could substantially inhibit that ability. Based on 1994 Financial Information, the existing Universal Service support mechanisms (Universal Service Fund USF) and weighted Dial Equipment Minutes (DEM) provided FMTI subscribers approximately \$600,000 in annual revenue. Without this revenue stream, our customers would have an estimated monthly increase in their local service rate of \$143. This reflects the importance of continuing Universal Service Principles.

Other Reservations are not as fortunate and may only be receiving minimal "Party Line" service or no service at all. In some cases such as on the Navajo Reservation, service is still provided by antiquated step by step central office switches with open wire delivering the marginal dial tone to the consumers. While the service provider may have plans to upgrade the service and provide advance features, they have to balance the service requirements with financial requirements in today's changing environment. To make the necessary commitment's the provider needs the assurance that the goals of Universal Service will be maintained.

FMTI is dedicated to providing high quality and affordable service to all consumers within our service area. Continued support, at close to present levels, from the Universal Service Fund is necessary for us to meet our goals and the goals and principles set forth in the Telecommunications Act of 1996.